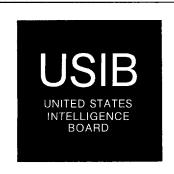
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25X1

June 14, 1975

CONTENTS

| USSR: Brezhnev speech reaffirms detente |
|--|
| JORDAN-SYRIA: Asad-Husayn discussions lead to closer cooperation |
| ITALY: Pre-election wrap-up |
| GREECE: New president to be elected next week |
| INDIA: Gujarat state election results complicate Gandhi's problems 6 |
| |
| COLOMBIA: State of siege declared in several cities |
| CHINA-USSR: Peking objects to proposed Soviet communications satellite |
| |
| |
| |
| FOR THE BECORD 12 |

25X1

25X1

June 14, 1975

USSR

General Secretary Brezhnev yesterday finished the Soviet leadership's series of republic election speeches with a restrained reaffirmation of improved relations with the West.

Brezhnev stuck to familiar foreign policy themes, as had President Podgorny and Premier Kosygin earlier in the week, but his remarks reflected the somewhat tougher phrasing noted since the party's Central Committee plenum of April 1975. Brezhnev credited the relaxation of international tension chiefly to Soviet efforts and to a new balance of world forces "in favor of socialism."

The Soviet leader cautioned that some politicians are paying only lip service to detente, and he criticized those he said were trying to win over right-wing circles by feigning suspicion of detente. By implication, he was calling on supporters of detente in the West to be more forthright in their defense of detente and warning them not to look for Soviet concessions to help them sell it at home.

A major portion of Brezhnev's foreign policy remarks was devoted to rehashing Soviet arms control proposals, such as reducing military budgets and banning the manufacture of new weapons of mass destruction. The Soviets had previously raised the restriction of such systems with the US, but this time Brezhnev urged its consideration in a multilateral forum. His proposal may become a featured part of Soviet presentations at the UN or in international disarmament discussions.

Brezhnev's specific references to the US and to President Ford were all favorable, and he praised steps toward a new strategic arms limitation agreement. He was, nevertheless, imprecise on the timing of a summit, saying only that one would take place this year.

He made a brief, positive mention of the European security conference. Here again, Brezhnev was noncommittal on timing, noting simply that its conclusion was "not far off." His comment on the force reduction talks included a jibe at NATO efforts to seek "one-sided advantages."

| | Like Kosygin and Podgorny, Brezhnev said little or nothing about such other | | | | | | | | | | |
|-------|---|--------|--------|----|--------|-----|--------|-------|----|----------|--|
| major | foreign | policy | issues | as | China, | the | Middle | East, | or | Vietnam. | |
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25X1

National Intelligence Bulletin

June 14, 1975

JORDAN-SYRIA

President Asad and King Husayn concluded three days of discussions in Jordan this week by establishing a joint supreme committee to "coordinate military, political, economic, and cultural policies." Both sides underlined their intention to pursue closer military cooperation, but shied away from the creation of a formal joint military command.

Both Husayn and Asad will probably try to use their highly publicized and apparently successful meeting to strengthen their respective positions among the Arabs. Asad has been trying for some time to promote closer ties between Syria and Jordan, as well as between Syria and the Palestine Liberation Organization, to strengthen his hand in dealings with Egyptian President Sadat. Because of the smoldering antagonism between Iraq and Syria, Jordan has become even more important to Asad as a political and military ally over the past few months.

Husayn, on the other hand, still wants to gain some say in the final disposition of the West Bank. Although he has formally relinquished his negotiating role to the PLO, his hopes have been kept alive by the inability of PLO chief Yasir Arafat to parlay the wider international recognition achieved by his organization into an invitation to the Geneva peace conference.

Contingency plans for greater Jordanian-Syrian military cooperation in the event of a war with Israel were probably a major topic of discussion. Syria has been a key supporter of the Palestinians' cause, but Damascus has also tried to remain on

good terms with Husayn, in hopes of coaxing him into closer political and military cooperation. 25X1

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June 14, 1975

ITALY

Now that the election campaign has concluded, Italians today mark the traditional one-day "pause for reflection" before going to the polls on Sunday and Monday. Although voters will be choosing only regional, provincial, and municipal officials, the elections are seen in Italy as a test of where the country is going politically.

The overriding issue in the campaign has been whether the country should continue to be governed by a center-left coalition with the same political complexion as the ten coalitions put together since the formula was inaugurated in 1963. In all those, as in the preceding centrist governments, the Christian Democrats—as Italy's largest party—have exercised far greater influence than their partners, the Socialists, Social Democrats, and Republicans.

The center-left alliance has never been a tranquil one. The tensions that have surfaced in this campaign, however, are of more than average importance.

The coalition has been in serious trouble since the late 1960s. Its most difficult moment came in 1972 when the Socialists left the alliance following divisive national elections. Although revived in 1973, the alliance has never regained its original momentum, in part because of the Socialists' ambition to exert greater influence within the center-left framework.

The entire Socialist campaign has been aimed at achieving that objective. The essence of what they are trying to do is captured by two posters that they have used widely: one tells the voter that "Italy is changing but the Christian Democrats are not," while the other asserts that a vote for the Socialists is the only vote on the left that will "really bother" the Christian Democrats. Their message is simply that the only way the voter can ensure social and economic progress is to give the Socialists enough leverage to force the Christian Democratic Party to change its ways.

This approach has angered most Christian Democrats and reinforced their traditional tendency to set aside internal differences at election time. They counterattacked with a vigorous campaign that:

- --claimed credit for postwar Italy's transformation into an industrialized society:
- --called for a return to the original center-left concept, rather than a new "preferential" relationship with the Socialists;
- --criticized the Socialists for running joint slates with the Communists in more localities than ever before;

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June 14, 1975

--sought to offset expected Socialist gains by appealing for increased support from conservative voters with such themes as law and order and anti-communism.

The Communists have also hit hard at Christian Democratic dominance of the government with a well-organized campaign that has stressed the Communists' claim to administer efficiently and without corruption the localities where they hold the balance of power. The Communists, however, have rejected the Socialists' claim that the center-left coalition can be rejuvenated merely by increasing Socialist weight in it.

Communist chief Berlinguer argues that, even if the Socialists do acquire more governmental influence, they will still need Communist cooperation in parliament to achieve their aims. Berlinguer, of course, has carried that theme one step further, maintaining that the country's problems will remain insolvable until his party is brought directly into the decision-making process.

Political leaders will be paying particular attention to how the balance is affected in certain key areas. There is a possibility, for example, that the "red belt"-the three north-central regions where the Communists predominate but share power with the Socialists-could grow, since the two parties stand a chance of gaining a slim majority in at least one neighboring region.

Among the major cities, Venice is of particular concern, because Communist gains may make their participation necessary in the formation of a municipal government. In the northeastern region of Veneto, long a Christian Democratic stronghold, small shifts away from the party could deprive it of the absolute majorities enjoyed for years in many localities.

It is the overall averages, however, that will probably have the greatest impact on the national political scene. On the eve of the election, there is a widespread feeling that the Christian Democrats will hold their losses to under 3 percent, while the Socialists and Communists are expected to register only moderate gains. This would probably postpone a government crisis until the fall and encourage the Socialists to moderate their demands.

There is considerable uncertainty about these predictions, based in part on the belief that the Christian Democrats will recapture some of their supporters who defected to the right in the last few years. That is probably a safe assumption, but the Christian Democrats are also counting on the fact that Italian voting patterns have traditionally been among the slowest to change in Western Europe.

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| National Intelligence Bulletin | June 14, 1975 |
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| Pressures for change have been building in Italian so in the three years since elections were last held nationwide will be answered on Sunday and Monday is the extent to be reflected in the way Italians cast their votes. | e. The major question that |
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| GREECE | |
| The Greek parliament will elect a new president of the first under the country's new constitution. | ne republic next Thursday, |
| The three candidates are Konstantinos Papakor parliament, Konstantinos Tsatsos, a deputy and forme Stassinopoulos, the incumbent. All three are loyal sup Karamanlis and can be expected to step down should Kadate to move up to the presidency. The opposition has intends to spend the next two years solidifying his political assume the presidency. | er minister, and Michael porters of Prime Minister aramanlis decide at a later s charged that Karamanlis |
| Papakonstantinou seems to have the edge in the elect | tion. |
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25X1

June 14, 1975

INDIA

The defeat of Prime Minister Gandhi's Congress Party in the Gujarat state election, combined with the recent court decision against her, will be a strong stimulus to the opposition to unite in preparation for the national elections to be held by the spring of 1976.

Although the two events have come as a blow to the Congress Party, its leaders, with few exceptions, appear united for the moment behind the embattled Prime Minister. Congress is still by far the largest and the only truly nationwide political party in India.

The Gujarat poll, in which the non-communist, five-party "People's Front" won a plurality, was the first major test for the opposition's strategy of uniting behind "people's candidates" to prevent fragmentation of opposition votes. For over 20 years, such fragmentation has been the key to Congress' electoral predominance at both the state and national levels.

There is no assurance the Front will be able to provide an effective, stable government in Gujarat, but its electoral victory is certain to spur similar unity efforts in other states. In addition, the protest movement spearheaded by veteran reformer J. P. Narayan, which had begun to lose momentum in recent months, may now be rejuvenated.

The opposition is already trying to extract maximum capital from Mrs. Gandhi's court conviction. It has designated June 15 to 22 as "resignation demand week" and is threatening to organize a mass march in New Delhi if she does not resign by June 21.

| If the matter is not settled before mid-July when parliament reconvenes, the |
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| opposition will probably carry its attack to the floor of parliament and obstruct the |
| proceedings. |
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June 14, 1975

COLOMBIA

Persistent, widespread public disorders have caused Colombian President Lopez to declare a state of siege in areas incorporating three of the country's four largest cities. This form of martial law can be extended elsewhere as conditions dictate.

With this move, Lopez has legalized the use of army troops in a police role. Protests by the army high command against the "illegal" use of troops in such a role prompted Lopez last month to relieve the army commander and to censure several other generals and colonels. Lopez had been reluctant to invoke a state of siege, in view of his campaign pledge to broaden civil liberties.

Lopez can be expected to impose stern controls on students, whose violent demonstrations have mushroomed over the past week, as well as on striking workers in the medical services and construction industries. He may also clamp down on low-income individuals who have been protesting generalized economic hardships.

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| the | least | political | damage | if | it | occurs | during | an | existing | state | of | siege. |
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June 14, 1975

CHINA-USSR

A legal confrontation between China and the USSR may be in the offing because of the Soviets' proposed launching of a domestic TV broadcasting satellite. Peking reportedly has warned the Soviets that the operation of their planned Statsionar-T satellite would disrupt China's telecommunication and broadcasting services. Peking's objection to the Soviet system is apparently based on information Moscow has supplied to the International Frequency Registration Board in Geneva.

There are no known telecommunications systems operating in China at or near the frequency proposed for the Soviets' Statsionar-T, and it is unlikely that Chinese television broadcasts are planned for this frequency range. It is possible, however, that the Statsionar-T will interfere with China's planned domestic comsat system.

International Telecommunications Union regulations require that an accord be reached between countries if the signals of one nation's satellite intrude into the territory of another, otherwise the matter could go to arbitration. Even if the

Telecommunications Union rules in Peking's favor, the Chinese are unlikely to be able to prevent the USSR from operating the proposed system, if Moscow chooses to do so. 9

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25X1



| National I | ntelligence | Bulletin |
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June 14, 1975

| Prabang over the past week, Lao King Savang has appointed replacements for the six recently ousted rightist members of the coalition cabinet | 25X |
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| Pathet Lao acquiescence, suggesting that the Lao communists, at least for the time being, intend to maintain the facade of a center-left coalition government in Vientiane. | 25 |
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strongly he is willing to press his program for liberalizing the Franco regime. The post, that of minister-secretary general of the National Movement, became vacant when Fernando Herrero Tejedor, an advocate of gradual change, died in a traffic accident on June 12. The position is important because the National Movement is charged with approving applications from political groups that desire legal status under Arias' decree permitting political associations—a key measure in his program to encourage popular participation in the system. Arias has been under considerable pressure from the far right to suppress dissenting groups that might apply for association status. His appointment of a moderate would signal that he intends to push ahead with his program.

25X1

12

EC: On Monday, EC finance ministers will discuss suggestions for modifying the structure of the European joint float. They will probably accept the recommendation of EC central bankers that several proposals—intervention within the margins of the float and setting target zones for intervention against the dollar—be studied further. It is possible, however, that the finance ministers will reach agreement on modifying and enlarging short-term credit facilities. Regardless of the outcome, some EC officials believe that Paris will soon announce the franc's formal reentry into the currency band.

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